

ST 01-0077-GIL 04/18/2001 MANUFACTURER'S PURCHASE CREDIT

Retailers and serviceman may require that separate MPC certificates be provided for each invoice or purchase in order to properly document those sales. See 86 Ill. Adm. Code 130.331. (This is a GIL).

April 18, 2001

Dear Xxxxx:

This letter is in response to your letter dated March 29, 2001. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120 subsections (b) and (c), which can be found on the Department's Internet website at <http://www.revenue.state.il.us/legalinformation/regs/part1200>.

In your letter, you have stated and made inquiry as follows:

When using Illinois Manufacturer's Purchase Credit, certain vendors are stating that a separate Form ST-16-C must be completed for each invoice, even when paying several invoices with one check or requesting a refund of state sales tax on several invoices paid with different checks. Is it a requirement of the Department that a separate ST-16-C be completed for each invoice? If so, please indicate where in the applicable statute or regulation this is stated.

**DEPARTMENT'S RESPONSE:**

A manufacturer or graphic arts producer must provide a Manufacturer's Purchase Credit Certificate (ST-16-C or purchaser's own form) when using Manufacturer's Purchase Credit (MPC) on a purchase of production related tangible personal property, unless the same information is included in the manufacturer's or graphic arts producer's purchase order. See subsection (f) of the enclosed copy of 86 Ill. Adm. Code 130.331. The statutory provisions and rules governing MPC do not address the use of a single MPC Certificate for multiple purchases.

It is the responsibility of the retailer or serviceman making the sale of production related tangible personal property to properly document the receipt of MPC on that sale through the use of MPC certificates. Retailers and servicemen are required to keep those certificates in their books and records. See subsection (f)(1) of Section 130.331. Retailers and serviceman may require that separate MPC certificates be provided for each invoice or purchase in order to properly document those sales.

I hope this information is helpful. The Department of Revenue maintains a website, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b) described above.

Very truly yours,

Terry D. Charlton  
Associate Counsel

TDC:msk  
Enc.